

## Eli's Hospice Insider

### Fraud & Abuse: Policymakers Skeptical Of For-Profit Hospices

**Too many too quickly, influential advisory body to Congress feels.**

For-profit hospices running legitimate operations have felt victimized by legislators, policymakers, and law enforcement officials lately. Comments at a recent **Medicare Payment Advisory Commission** meeting might explain why.

Multiple commissioners voiced numerous concerns about the influx of for-profit providers into the hospice market. "Each year when we talk about hospice, it seems to me we spend more time talking about for-profit versus not-for-profit than almost any other sector that we discuss," noted MedPAC chair **Glenn Hackbarth**. "Maybe it's because we're talking about patients who are close to death and very vulnerable, and that may well be the case that we're troubled by, even subconsciously, about people making money and organizing businesses around this particular population," Hackbarth said in MedPAC's December meeting.

"The issue really isn't so much for-profit versus not-for-profit," claimed Hackbarth, an attorney who formerly was deputy administrator at the **Health Care Financing Administration** (now the **Centers for Medicare & Medicaid Services**). "There are a lot of people who make money off of dying patients. They're not paid to make them die. They're paid to help them, and for-profit hospices are paid to help dying patients, just like drug manufacturers and physicians and a whole lot of other participants in the system."

The problem may be that the industry has had for-profit hospices dominating the market so quickly, Hackbarth theorized. But that can have its uses, he insisted. "An analogy is how dye is used to enhance an image for a radiologist," he offered. "The influx of for-profit providers is sort of a dye in the system, and they're helping us diagnose weaknesses in the payment system. Because of their for-profit motivation, they sort of lead us to where the potential perverse incentives are and the problems are."

Those incentives and problems may include providing services to skilled nursing facility patients and long-stay patients who often have non-specific diagnoses (see story, p. 17).